



AN ACT TRANSFERRING A PERCENTAGE OF COMPENSATORY MITIGATION DEPOSITS FROM THE SAGE GROUSE STEWARDSHIP ACCOUNT TO THE STATE GENERAL FUND TO REPAY THE INITIAL COST OF IMPLEMENTING THE MONTANA GREATER SAGE GROUSE STEWARDSHIP ACT; ESTABLISHING A TRANSFER LIMIT; AMENDING SECTION 76-22-109, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE, A RETROACTIVE APPLICABILITY DATE, AND A CONTINGENT TERMINATION DATE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 76-22-109, MCA, is amended to read:

"76-22-109. (Temporary) Sage grouse stewardship account. (1) There is a sage grouse stewardship account in the state special revenue fund established in 17-2-102. Money deposited in the account is statutorily appropriated, as provided in 17-7-502, and, except as provided in subsection (8), must be used for the administration of and pursuant to the provisions of this part to maintain, enhance, restore, expand, or benefit sage grouse habitat and populations for the heritage of Montana and its people.

(2) The following funds must be deposited in the account:

(a) each fiscal year, the amount provided in 15-1-122 that is transferred to the account from the state general fund;

(b) money received by the department in the form of grants, gifts, transfers, bequests, payments for credits or financial contributions made pursuant to 76-22-111, and donations, including donations limited in their purpose by the grantor, or appropriations from any source intended to be used for the purposes of this account; and

(c) any interest or income earned on the account.

(3) Subject to subsections (4), ~~and (5)~~, and (8), the department shall make disbursements from the

account to projects approved by the oversight team to receive grants.

(4) The majority of the funds in the account may not be disbursed before the habitat quantification tool has been adopted. The habitat quantification tool must be applied to any project funded after the habitat quantification tool has been adopted. The majority of the account funds must be awarded to projects that generate credits that are available for compensatory mitigation under 76-22-111. When selecting projects to receive funds, the oversight team shall prioritize projects that maximize the amount of credits generated per dollars of funds awarded.

(5) Money deposited in the account may not be used:

(a) for fee simple acquisition of private land;

(b) to purchase water rights;

(c) to purchase a lease or conservation easement that requires recreational access or prohibits hunting, fishing, or trapping as part of its terms; or

(d) to allow the release of any species listed under 87-5-107 or the federal Endangered Species Act, 16 U.S.C. 1531, et seq.

(6) Administrative costs paid from the account are limited to \$400,000 in each fiscal year.

(7) Any unspent or unencumbered money in the account at the end of a fiscal year must remain in the account.

(8) At the end of each calendar year, the oversight team shall:

(a) conduct an audit of credits and debits as determined by the habitat quantification tool as used in compensatory mitigation pursuant to 76-22-111;

(b) ensure the balance of credits and debits determined as provided in subsection (8)(a) results in no net loss of habitat; and

(c) direct the department to transfer up to 10% of any surplus balance calculated according to subsection (8)(b) to the state general fund until the total amount of transfers made pursuant to this subsection (8)(c) equals \$10 million. (Terminates June 30, 2021--sec. 8, Ch. 360, L. 2017.)

76-22-109. (Effective July 1, 2021) Sage grouse stewardship account. (1) There is a sage grouse stewardship account in the state special revenue fund established in 17-2-102. Money deposited in the account is statutorily appropriated, as provided in 17-7-502, and, except as provided in subsection (8), must be used for

the administration of and pursuant to the provisions of this part to maintain, enhance, restore, expand, or benefit sage grouse habitat and populations for the heritage of Montana and its people.

(2) The following funds must be deposited in the account:

(a) money received by the department in the form of grants, gifts, transfers, bequests, payments for credits or financial contributions made pursuant to 76-22-111, and donations, including donations limited in their purpose by the grantor, or appropriations from any source intended to be used for the purposes of this account; and

(b) any interest or income earned on the account.

(3) Subject to subsections (4), ~~and (5)~~, and (8), the department shall make disbursements from the account to projects approved by the oversight team to receive grants.

(4) The majority of the funds in the account may not be disbursed before the habitat quantification tool has been adopted. The habitat quantification tool must be applied to any project funded after the habitat quantification tool has been adopted. The majority of the account funds must be awarded to projects that generate credits that are available for compensatory mitigation under 76-22-111. When selecting projects to receive funds, the oversight team shall prioritize projects that maximize the amount of credits generated per dollars of funds awarded.

(5) Money deposited in the account may not be used:

(a) for fee simple acquisition of private land;

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(c) to purchase a lease or conservation easement that requires recreational access or prohibits hunting, fishing, or trapping as part of its terms; or

(d) to allow the release of any species listed under 87-5-107 or the federal Endangered Species Act, 16 U.S.C. 1531, et seq.

(6) Administrative costs paid from the account are limited to \$400,000 in each fiscal year.

(7) Any unspent or unencumbered money in the account at the end of a fiscal year must remain in the account.

(8) At the end of each calendar year, the oversight team shall:

(a) conduct an audit of credits and debits as determined by the habitat quantification tool as used in

compensatory mitigation pursuant to 76-22-111;

(b) ensure the balance of credits and debits determined as provided in subsection (8)(a) results in no net loss of habitat; and

(c) direct the department to transfer up to 10% of any surplus balance calculated according to subsection (8)(b) to the state general fund until the total amount of transfers made pursuant to this subsection (8)(c) equals \$10 million."

Section 2. Effective date. [This act] is effective on passage and approval.

Section 3. Retroactive applicability. [This act] applies retroactively, within the meaning of 1-2-109, to calendar years beginning after December 31, 2020.

Section 4. Contingent termination. [This act] terminates on the date that the director of the office of budget and program planning certifies to the code commissioner that \$10 million has been transferred to the state general fund from the sage grouse stewardship account pursuant to 76-22-109(8).

- END -

I hereby certify that the within bill,
SB 230, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2021.

Speaker of the House

Signed this _____ day
of _____, 2021.

SENATE BILL NO. 230

INTRODUCED BY M. LANG, M. CUFFE, R. KNUDSEN

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